



# NIT PENSION FUND

FUND MANAGER REPORT - December 2016

## NIT - Pension Fund

## Fund's Information

NIT Pension Fund aims to provide participants with a savings vehicle geared for retirement planning and providing decent returns through investments in its various sub-funds.	<b>Fund Type</b>	Open-End	<b>Trustee</b>	Central Depository Company
	<b>Category</b>	Pension Scheme	<b>Auditors</b>	KPMG Taseer Hadi & Co.
<b>Profile of Investment Managers</b>	<b>Launch Date</b>	19-Jun-15	<b>Pricing Mechanism</b>	Forward Pricing
	<b>Management Fee</b>	Equities Sub Fund: 0.75% Debt, MM and Commodities Sub Funds: 0.50%	<b>Dealing Days*</b>	Daily (Monday to Friday) *except public holiday
National Investment Trust Ltd. (NITL) is the first and the largest Asset Management Company of Pakistan, formed in 1962. With the recent launch of 1 new Funds namely NIT Islamic Income Fund the size of total Funds under management by NITL is approximately Rs. 116 billion as of December 31, 2016. The family of Funds of NIT comprises of 10 Funds including 4 equity Funds 2 fixed income nature Funds, 1 Islamic Income Fund, 1 Money Market Fund, 1 conventional Pension Fund and 1 Islamic Pension Fund. NIT's tally of nationwide branches is 23, no other Mutual Fund in Pakistan has such a vast network of nationwide branches. Further to cater to the matters relating to investments in NIT and day to day inquiries/issues of its unit holders, a state of the art Investors' Facilitation Centre is also in place. The Board of Directors of NITL consists of representatives of leading financial institutions, prominent industrialists and nominee of Govt. of Pakistan. The Company has been assigned an Asset Manager rating of "AM2+" by PACRA, which reflects the company's very strong capacity to manage the risks inherent in the asset management business and the asset manager meets very high investment management industry standards and benchmarks. All investment decisions are taken by the Investment Committee of NITL.	<b>Front End Load</b>	0%-3%	<b>Valuation Days*</b>	Daily (Monday to Friday)
	<b>Back End Load</b>	0.00%	<b>AMC Rating</b>	AM2+ (PACRA)
	<b>Benchmark</b>	N/A	<b>Risk Profile</b>	Moderate / High
	<b>Par Value</b>	PKR 10.00	<b>Fund Manager</b>	Wasim Akram
	<b>Minimum Investment</b>	PKR 1000	<b>Cutt-off timing**</b>	9.00 AM to 3.30 PM (Mon to Fri)
	<b>**Ramzan Timing 8.00 AM to 2.00 PM (Mon to Thur), 8.00 AM to 12.30 Noon (Fri)</b>			

## Fund Commentary

## Fund Returns

The KSE-100 index gained 12.16% during the month of December, 2016. The rally continued throughout the month of December, 2016 mainly on account of OPEC's decision to cut production providing impetus to international oil prices. Consequently, Oil Exploration and Production sector in the local bourse followed the bullish trend in international oil prices. Expectation of higher inflation due to rising international oil prices gave rise to expectations of interest rates either remaining stable or increasing going forward, resulted in strong buying activity in the Banking sector as well. Highlight for the month however, was the successful bidding by Chinese consortium led by the Shanghai Stock Exchange for the take over of 40% strategic shareholding of PSX at a price of PKR 28 per share. The news further bolstered the positive sentiment already prevalent in the market. Pakistan's inclusion in the MSCI EM index later in the year 2017 and onset of the result season will ensure continued positive sentiment in the market going forward.

	Equities Sub Fund	Debt Sub Fund	MM Sub Fund	Commodities Sub Fund
<b>Dec-16</b>	<b>12.61%</b>	<b>3.68%</b>	<b>3.59%</b>	<b>-0.84%</b>
<b>YTD</b>	<b>19.34%</b>	<b>4.14%</b>	<b>3.68%</b>	<b>-8.23%</b>
<b>CYTD</b>	<b>33.20%</b>	<b>4.04%</b>	<b>3.78%</b>	<b>1.04%</b>
<b>Since Inception</b>	<b>21.03%</b>	<b>4.10%</b>	<b>3.92%</b>	<b>1.19%</b>
<b>NAV (30-12-16)</b>	<b>12.1029</b>	<b>10.6295</b>	<b>10.6023</b>	<b>10.1193</b>
<b>Net Assets (PKR Mn)</b>	<b>100.95</b>	<b>84.75</b>	<b>84.48</b>	<b>75.90</b>

On the money market front, market yields moved slightly up on expectations of inflation remaining on the higher side

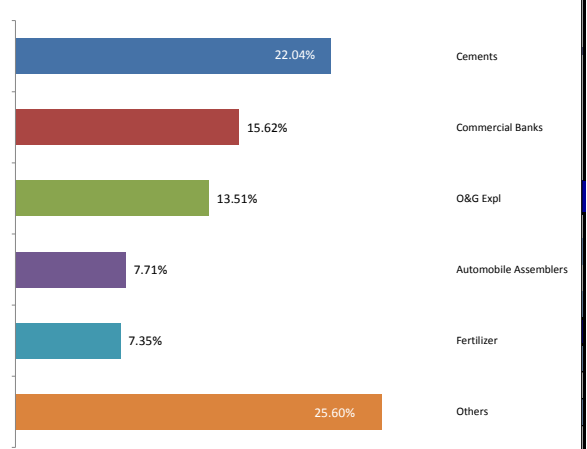
## Asset Allocation 31-12-2016



## Performance Review

## Sector Allocation (Equities Sub fund)

NIT-PF Equity Sub-Fund posted return of 12.61%  
 NIT-PF DebtSub Fund posted return of 3.68%.  
 NIT-PF Money Market Sub Fund posted return of 3.59%.  
 NIT-PF Commodities Sub Fund posted return of -0.83%.



## Top Ten Holdings (Equities Sub fund)

(As % of Total Assets)

Lucky Cement Limited	9.10%
Indus Motor Company Limited	7.71%
Pakistan Petroleum Limited	7.28%
DG Khan Cement Company Limited	6.78%
Crescent Steel and Allied Products	6.41%
United Bank Limited	6.16%
MCB Bank Limited	5.68%
Pakistan State Oil	5.39%
Oil and Gas Company Limited	5.21%
Fauji Cement Co. Limited	4.91%

## WWF Disclosure:

N/A

## Compliance with Circular # 16 of 2010 / Non-compliant Investments

Nil

## Members of the Investment Committee

<b>Shahid Ghaffar - Managing Director</b>	<b>Manzoor Ahmed - Chief Operating Officer</b>	<b>Amir Amin - Head of Finance</b>
<b>Shahid Anwer - Head of MD's Sectt. &amp; Personnel</b>	<b>M. Imran Rafiq, CFA - Head of Research</b>	<b>Raza Abbas Jaffery - Head of Trading</b>
<b>Ammar Habib - Manager / Incharge Risk Mngmnt</b>	<b>Aqib Hussain - Incharge Compliance</b>	<b>Wasim Akram - Fund Manager NIT-PF</b>

## MUFAP's Recommended Format.

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Note: Performance data does not include the cost incurred directly by an investor in the form of sales load etc.